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I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to Commissioner for Patents, Washington, D.C. 20231 on

10/18/04
(date)

Leah Saar, Reg. No. 54,417

DECLARATION UNDER 37 C.F.R. 1.131

I, Timothy J. Messler, hereby declare as follows:

1. I am the named inventor of the above-identified U.S. patent application.
2. The subject invention has been developed and marketed by
eEngineeringsolutions.com
3. eEngineeringsolutions.com was incorporated in the State of Florida in 2001. The corporate name was changed to EngineeringExchangeNetwork.com in 2002.
4. I conceived of the invention disclosed in the above-identified application in 1999.
5. During the year 2000, prior to filing a patent application directed to the above-identified invention, I developed the implementation of the project which formed the basis for the application (hereinafter "the Project.")
6. The following individuals were employed by eEngineeringsolutions.com to

Application No. 09/627,663
Reply to Office Action dated 12/17/03

develop the web site which is the subject invention described in the application: Bill Bramlett, Lynn Messler, Scott Messler and Kevin Justice.

7. The initial phase of the Project, which was the implementation of the invention disclosed in the above-identified patent application, was completed prior to December 23, 2000.

8. Attached herewith is a Business Plan for eEngineering Solutions which was compiled in November 2000 and represents actual reduction to practice. The Business Plan describes the marketing plans for the Project, and it was presented to numerous potential investors in November 2000.

9. The potential investors included Richard Jerman, with whom I met with in early December 2000.

10. From November 2000 to April 6, 2001, eEngineeringsolutions.com continued to diligently develop the project.

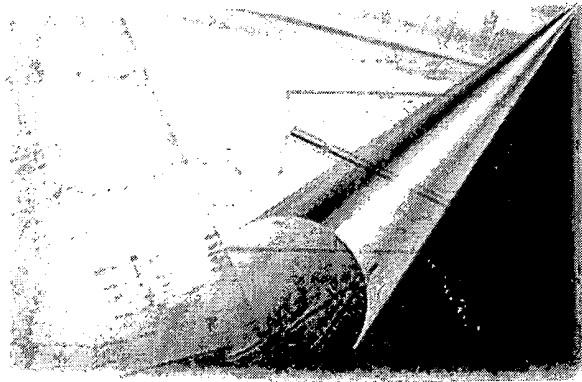
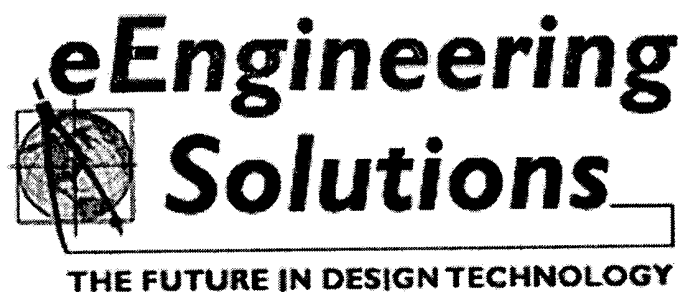
11. That I am hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. §1001, and that such willful false statements may jeopardize the validity of the application or any resulting patent, I declare that the facts set forth in this Declaration are true; that all statements made of my own knowledge are true; and that all statements made on information and belief are believed to be true.

Respectfully submitted,

Date: 10/18/04


Timothy J. Messler

Business Plan for



November 2000

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1.0 Executive Summary

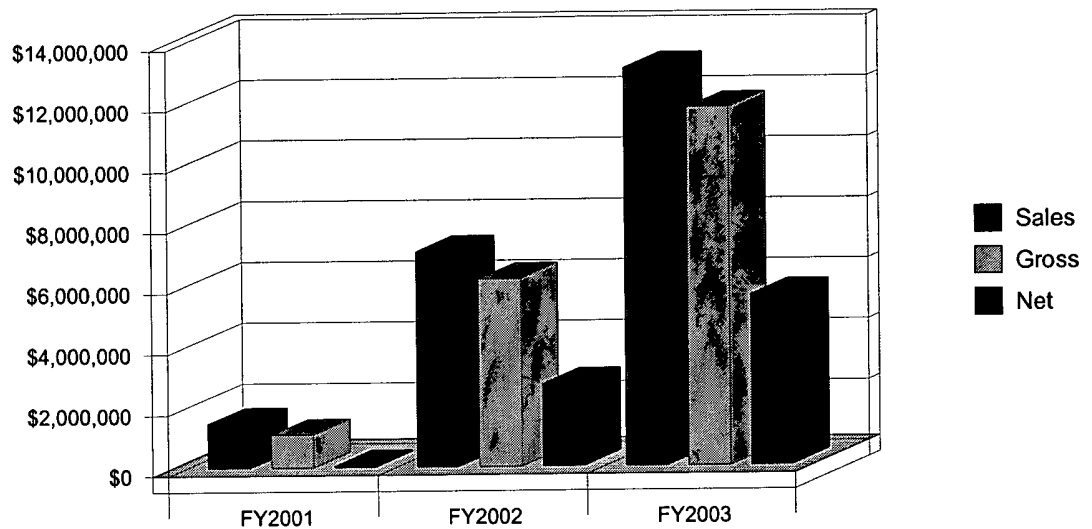
Engineeringsolutions.com will exist to provide the highest quality technical information to engineers in their quest for solutions. Following is a summary of the main points of this plan:

- The objective of Eengineeringnsolutions.com is to create a profitable, challenging company

where engineers, manufacturers, suppliers and contractors/construction companies can interact.

- The mission is to maintain and expand this interactive vehicle with the most current information available.
- The keys to success are fast, reliable information and a profit for investors and owners.
- The market for this business is worldwide.
- The financial analysis shows outstanding returns to the owners and investors.

Highlights



1.1 Objectives

OBJECTIVES OF THE BUSINESS PLAN

1. To provide a written guide for starting and managing the company.
2. Develop a financial model that will guide the company and provide picture of financial requirements.
3. Assist the company in obtaining between one and three financial investors in order to raise approximately \$750,000.

OBJECTIVES OF THE COMPANY

- 1. Develop a web based interactive vehicle to assist engineers in their research for design solutions.
- 2. Show manufacturers, suppliers and contractors/construction companies how they can interface directly with engineering companies to promote their products.
- 3. Maintain the web site with the most current and pertinent information available.
- 4. Develop a company that will be profitable for its employees, investors and owners.

1.2 Mission

- Eengineeringolutions.com will offer a web based reference and referral site to the engineering community. It will provide an efficient, economical and effective resource that can be used on a daily basis to assist engineers in achieving their goals.
- The company will create a business structure to provide its investors with a vehicle that will, in the short term, return to the investors their initial capital investment and in the long term provide substantial returns.
- The web site will be maintained with the most current information available on the internet and the site will be continuously improved and expanded to provide its engineering members with the best possible tool for their individual purposes.
- The internet site of Eengineeringolutions.com will provide its business members with a focused location where their prospective customers can have ready access to the business members' web sites.
- Technical information will be available to assist members in completing their corporate goals.
- Eengineeringolutions.com will provide a challenging and creative working environment for its employees and owners and will offer job security for the long term. The professional environment and the commitment to high standards insure that Eengineeringolutions.com will be a rewarding place to work.

1.3 Keys to Success

Eengineeringolutions.com keys to success are as follows:

- Reliable and accurate information provided through an internet based vehicle.
- Maintenance of the web site on a daily basis with the most current data and resources available.
- Profitability for its investors, owners and employees.
- Providing a site where engineers, manufacturers, suppliers and contractors/construction companies can share information for the benefit of all.

2.0 Company Summary

Eengineeringolutions.com is a company that will provide information and resources to engineers.

- Focus initially on Civil Engineers in the United States.
- Provide a forum for manufacturers, suppliers and contractors/construction companies to share information with engineers.
- Expand services to Mechanical, Electrical, Aeronautical, Structural and other engineering disciplines in the U.S.
- Develop the site to include other countries.

2.1 Company Ownership

Eengineeringsolutions.com will be established as a subchapter S Corporation in order to afford the owners and investors the greatest tax and income advantages. The funding for the company will be through the sale of corporate stock to investors. The intent is to capitalize the company through investors and to maintain the company with the minimum amount of debt during the growth years. The current plan is to allow the owner to maintain 60% of the outstanding corporate stock and thereby control of the operations of the company. The corporate structure will include a Board of Directors which initially will be made up of the owners and major stock holders. The ultimate goal will be a Board of Directors comprised of a diverse cross section of business people whose expertise will assist management in the leadership of the company .

2.2 Start-up Summary

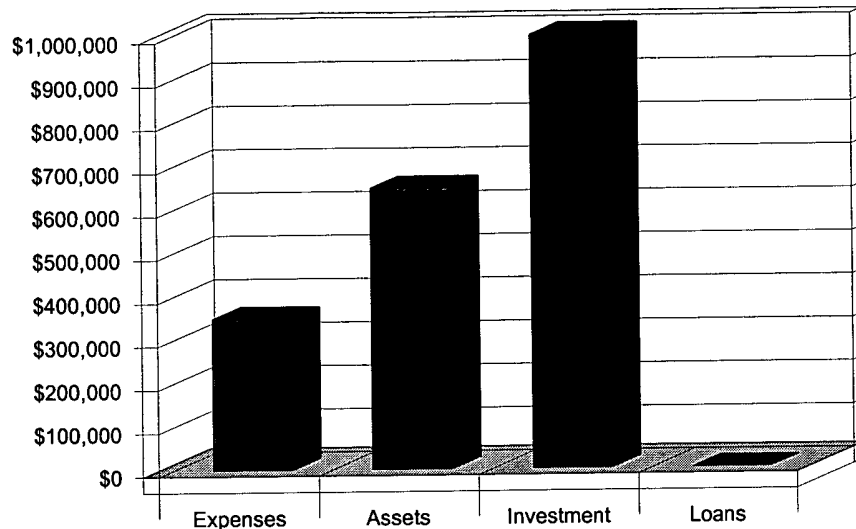
Eengineeringsolutions.com will require a substantial investment in order to reach its first level of business. Based on preliminary projections, a minimum of \$150,000 will be required in order to initiate operations and an additional \$600,000 in capital investment will be required to maintain operation for the first nine months . The current business plan calls for the start up cost to be supplied by investors. The on going operation will include the initial staffing, office space and equipment required to bring the company to a point where cash flow will sustain operations. These costs are shown in the chart labeled start up cost.

Start-up Plan	
Start-up Expenses	
Legal	\$50,000
Accountant	\$25,000
Stationery etc.	\$10,000
Brochures	\$50,000
Consultants	\$42,500
Insurance	\$13,500
Rent	\$9,000
Research and development	\$10,000
Expensed equipment	\$35,000
Investment/Brokerage Fees	\$100,000
Other	\$5,000
Total Start-up Expense	\$350,000
Start-up Assets Needed	
Cash Requirements	\$650,000
Other Short-term Assets	\$0
Total Short-term Assets	\$650,000
Long-term Assets	
Total Assets	\$0
Total Start-up Requirements:	
Left to finance:	\$1,000,000
Start-up Funding Plan	
Investment	
Investor 1	\$350,000
Investor 2	\$400,000
Other	\$250,000
Total investment	\$1,000,000
Short-term Liabilities	
Unpaid Expenses	\$0
Short-term Loans	\$0
Interest-free Short-term Loans	\$0
Subtotal Short-term Liabilities	\$0
Long-term Liabilities	\$0
Total Liabilities	\$0

Loss at Start-up
Total Capital
Total Capital and Liabilities
Checkline

(\$350,000)
\$650,000
\$650,000
\$0

Start-up



2.3 Company Locations and Facilities

Engineering solutions.com offices will be located in the City of Palm Beach Gardens, Florida. Palm Beach Gardens is located on the east coast of South Florida approximately one hour north of Miami and two hours southeast of Orlando. This area is growing at a very rapid rate with special emphasis on new and improved educational facilities. The climate provides a great place to live and work.

3.0 Services

Engineering solutions.com will offer high quality information services to engineers. The quality of the service will be maintained by a staff of engineers and other professionals to ensure that the data is current and precise. These services will include research, design aides, links to manufacturing companies, links to suppliers, links to contractors and construction companies, links to reference libraries, information on education, information on continuing education, college information, links to regulation sources; ie, government agencies that regulate the the designs produced by engineering businesses and general information that may be pertinent to engineers and engineering businesses.

3.1 Service Description

Engineering solutions.com will provide a much needed resource to engineers and engineering firms of all types and sizes. The need for accurate, up-to-date technology has always been at the forefront for engineers. With the advent of the Internet, this information has become readily

available if you know how to access it. In addition to the constant need for information, there is also the ever present need to have that information in the minimum of time. The process of finding the information on the Internet can be time consuming, and in engineering companies this time spent searching the net can be expensive.

Engineering solutions.com will provide information through its web site via a series of links that will be directed to the particular subject for which the engineer is specifically looking. The search time when using Engineering solutions.com will be reduced to a matter of minutes rather than hours as was previously the case. In addition to the technical portion of Engineering solutions.com, the site will include other items of importance to the engineering community. The following categories will be part of the site:

- References
- Design Aides and Links
- Manufacturers Technical Information and Links
- Magazines and Subscriptions Links and Pertinent Articles
- Education Including Colleges, Continuing Education, Licensure Information, State Boards, Seminars, Etc.
- Professional Engineering Societies at National, State and Local Levels
- Contractors Site Linking Independent Contractors with Companies in Need of Special Services Including Design, Cadd, Etc.
- White Papers
- Mapping and GIS Sites and Links
- Libraries Including Links to Specific Information

3.2 Competitive Comparison

The internet contains many sites that provide engineers with information on a specific subject but none provide the comprehensive information that Engineering solutions.com will provide. Most web sites cover only a portion of the information that an engineer needs and very few sites provide links to other sites with additional or complimentary information. A few sites attempt to provide the reader with direct links to the manufacturer of a specific product but no site will direct the reader to a specific section within the manufacturer's site. Many manufacturers provide valuable information to engineers and designers but it is almost always necessary for engineers to discontinue their work and do separate research to locate a manufacturer of a specific product. Engineering solutions.com will provide engineers and designers with specific links of interdependent information to assist in consolidating this information.

3.3 Sales Literature

Engineering solutions.com will be advertised through the following media sources.

- Internet electronic brochure and broadcast mailings.
- Advertisements in reference publications, newsletters and magazines.
- Mass mailings to specific target companies that will benefit from this valuable tool.
- It is also anticipated that presentations will be conducted at engineering seminars and professional society meetings. Engineering solutions.com will also sponsor and participate in certain seminars that provide continuing education for the engineer. This venue is most appreciated because credits for continuing education are now required by most states.

- Other advertising avenues will be explored and all appropriate methods will be utilized to make the company a success. The management is fully aware of the importance of advertising to the success of any business.

3.4 Fulfillment

The service to be provided by Eengineeringsolutions.com will require knowledgeable professional engineers to accomplish the bulk of the research on this site. In addition it will be necessary for the company to retain the services of research technicians to assist the engineers in obtaining and sorting the vast amount of information that will be necessary to develop and maintain the site. The major expense will be the salaries required to maintain this highly technical staff. In addition to the personnel, the next major expense will be computers, servers, the Web site and of course appropriate offices. In an effort to minimize cost, the company may attempt to utilize the services of free-lance engineers and other computer research experts to assist the company during the early development stages of the web pages. The use of a knowledgeable ISP company will reduce the time and cost it takes to place the site on the Internet.

3.5 Technology

Eengineeringsolutions.com by definition will be a company using the latest technology, ie; the *Internet*. As the entire business is derived around the *Internet*, it will utilize the latest technology to maintain and operate at a level expected by its potential clients who, for the most part, already operate in the high technology world of computers and the *Internet*. The site will be developed with the most current technology in web searching devices and utilize the highest quality graphics as a tool to assist, entertain and provide the best possible working atmosphere for its clients and advertisers. The company will employ state of the art equipment and utilize the most advanced web hosting technology in an effort to provide incomparable excellence in its presentation of its media. Speed is of the essence for this company as its sole existence will depend on the site being able to allow its clients to complete tasks in a fraction of the time it took using previous methods. The management will seek out technology leaders to assist the company with the development of its web site. Technology will be the heart of the company but the soul of the company must be its people and their overwhelming desire to develop the best technical information site on the Internet. The company will find the best people in each discipline to assist with the development and maintenance of the web site.

3.6 Future Services

The first phase of operation will meet the needs of Civil Engineers. This will be followed by these engineering disciplines:

- Mechanical
- Electrical
- Aeronautical/Aerospace
- Chemical/Petroleum
- Structural
- Computer
- Industrial
- Teaching
- Public/Municipal

Within approximately three years, other service fields will be added. These may include:

- Construction Industry
- Architecture
- Automotive Industry,
- Manufacturing
- Other technical fields

The fast moving expansion of the Internet will continue to compel more and more design and manufacturing companies to seek a closer working relationship with Eengineeringolutions.com in order to achieve their goals and maintain the pace of tomorrow's technology.

4.0 Market Analysis Summary

Eengineeringolutions.com will focus on two classifications of membership as its primary market.

The first classification, engineering members, will consist of the engineers and engineering companies who will utilize the site as a functional tool for their project design and construction.

The second classification, business members, will have three sub-categories:

- Manufacturers of products which the engineering group utilizes in their designs.
- Supply companies that act as local representatives for the manufacturer .
- Construction companies and the Contractors that will utilize the engineers' plans to build or develop the product or project.

4.1 Market Segmentation

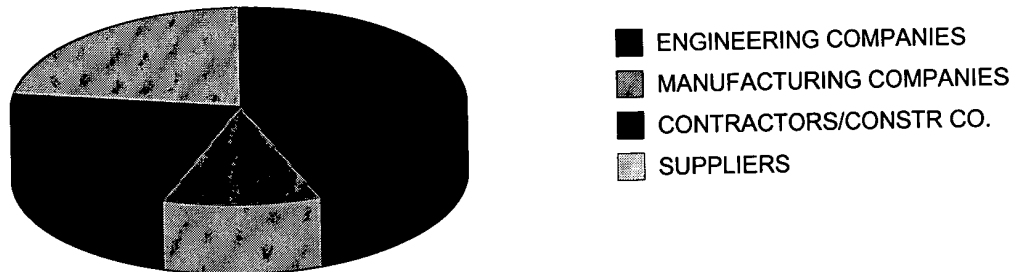
Eengineeringolutions.com will divide its market into the following four segments, each with a distinct application to the company.

- **Engineering Companies:** Our primary market and the basic reason the site will be created. These companies will range in size from the largest with many hundreds of engineers to the smallest with only one or two engineers. The site will provide a work environment and a forum for other engineering related information.
- **Manufacturing Companies:** The site will offer these manufacturers a forum to display their products in an environment that is research oriented and informative to the engineering community. The site will provide these companies with a presence and links to specific section within the manufacturer's web site that will provide the engineer with very specific information that the engineer may require to solve a problem. All manufacturers will be presented on an equal basis that will allow the engineer to select a product based on its merit for the required application and not on its advertisement expertise.
- **Suppliers(manufacturers representative):** The site will offer these companies the same presence as the manufacturers. These companies operate as a local representative of one or more manufacturers and can assist the engineer by providing direct contact and detailed knowledge of the products within the specific geographic location of the project. These companies will also be presented on an equal basis to afford the engineering company the appropriate time and information to make an intelligent choice for the product that will fit their needs. This area of the Eengineeringolutions.com site is a time saver to both the engineering company and the sales department of the supplier.

- **Contractors/Construction Companies:** These companies have knowledge of construction procedures and techniques that can provide the engineer with valuable information. They have a fundamental interest in what engineering firms are designing in order to bid on the projects. It is for this reason that contractors/construction companies of all types will be present on the web site. The engineering companies utilize these companies in several ways, the most important is obtaining cost information. The Contractors/Construction Companies are interested in being included in the bidding process and are more than willing to assist the engineering companies during the design phase with hopes of having an edge when the project is put out for construction.

Market Analysis		Growth	2000	2001	2002	2003	2004	CAGR
Potential Customers								
ENGINEERING COMPANIES	10%		10,000	11,000	12,100	13,310	14,641	10.00%
MANUFACTURING COMPANIES	10%		2,500	2,750	3,025	3,328	3,661	10.01%
CONTRACTORS/CONSTR CO.	15%		5,000	5,750	6,613	7,605	8,746	15.00%
SUPPLIERS	15%		5,000	5,750	6,613	7,605	8,746	15.00%
Total		12.31%	22,500	25,250	28,351	31,848	35,794	12.31%

Market Analysis (Pie)



4.2 Target Market Segment Strategy

Eengineeringsolutions.com will target specific groups which use the internet to access information and need a reliable source for controlling and compartmentalizing that information:

- Focus first on civil engineering companies across the nation by e-mail, mass mailings, magazine advertisements and through engineering societies. From experience we know this target market will be receptive to faster access to the information needed to complete their projects on time and with quality results.
- The second phase will be a division for mechanical engineers and it will follow the civil engineering section by approximately three months.
- The electrical engineering section will follow the mechanical section by another three months.

- The additional Markets will follow during the next three years.

4.2.1 Market Needs

The company was founded on the principle that the Internet can provide the most current information available to assist all engineers in their effort to provide the public and their clients with the best possible solutions to the specific tasks. The engineers' main issue in obtaining the information from the net is that the process is tedious and time consuming. The concept for most engineering companies is "time is money". Engineers are continually in search of the latest technology in order to better serve their clients whether it be the Federal Government, State Government, Local Government and/or private clients. The need and desire to develop the best possible solutions and designs for the clients is always foremost in the minds of the engineers. The principal owner of this company has been a design civil engineer for the last 25 years and the owner of a civil consulting business. His frustration in the information gathering process led to the idea to develop a web site that focused on the particular needs of the engineer. Eengineeringolutions.com was the answer to this need. This web site will be of the highest quality, for only by providing the best possible information will the company be successful and maintain a large client base. The web site will be all encompassing and fill the demands in all aspects of design for the engineer and the engineering companies for which they the work.

4.2.2 Market Trends

Eengineeringolutions.com was conceived to meet the following market trends :

- The rapid growth of information based on the Internet.
- The intensified use by businesses to access accurate information.
- The reduction of the time it takes to obtain this information.

4.2.3 Market Growth

Factors that will allow Eengineeringolutions.com to grow:

- The United States and Canada had approximately 120 Million internet users as of year end 1999 and that is projected to be 164 Million by 2002 (Computer Industry Almanac).
- Internet users world wide at year end 1999 were 259 Million with projections for year end 2000 estimated at 349 Million and 490 million by year end 2002 (Computer Industry Almanac).
- By the year end 2000 the world wide web will be a \$4.8 Billion per year market in advertising and \$6.5 Billion in E-commerce.
- Employment opportunities in Engineering are forecasted to remain strong thru 2008 with overall engineering employment expected to increase by approximately 15% per year (U. S. Department of Labor Occupational Outlook Handbook).

4.3 Service Business Analysis

The engineering business consists of thousands of smaller engineering organizations and individuals for every one of the few dozen well-known companies.

Engineering participants range from major international engineering companies to tens of thousands of individuals. One of Eengineeringsolutions.com's challenges will be establishing itself as a "real" source of information, positioned as the benchmark upon which other information sources will be judged.

4.3.1 Business Participants

The internet has numerous sites that provide venues for the distribution of information to individual industries and companies. There are companies like Microsoft and IBM that provide industry specific information through web sites, many of which are the result of a joint venture or an acquisition with a smaller company that provided a site for a specific industry. There are sites that target engineering companies, but for the most part these sites target only the design phase of a specific discipline. However, there are no sites that provide engineering companies with an all encompassing venue that covers information from designs through continuing education as Eengineeringsolutions.com will.

4.3.2 Main Competitors

Based on our research we were unable to find competitors who could provide services equivalent to Eengineeringsolutions.com.

5.0 Strategy and Implementation Summary

Below is Eengineeringsolutions.com's strategy for establishing a market currently unavailable for the engineering community:

- To provide a venue for engineering companies to interface with manufacturing companies, suppliers, and contractors/construction companies.
- Provide a user friendly and simple technique for research and data retrieval.
- Provide and manage the information with highly trained engineers ,web designers and other professionals.

5.1 Value Proposition

Eengineeringsolutions.com will provide to its engineering members and business members an information source with outstanding value when compared with conventional media sources. The accepted method for manufacturers, suppliers and contractors/construction companies to reach engineers is to advertise in technical magazines, such as "Civil Engineering". The cost to advertise in these technical magazines is extremely high when compared to web based advertising. Also, the information in magazines is relatively stagnant once in print, while the information on a web based source is dynamic as it can be updated continually.

5.2 Competitive Edge

Our competitive edge is that we have no real competitor that provides this service to our target market at this time. The challenge will be to maintain the site with the highest quality and most current information. The stated goal of Eengineeringsolutions.com is to be the unprecedented leader and to be the standard by which other engineering web sites are judged.

5.3 Marketing Strategy

The marketing of Eengineeringsolutions.com to engineering companies and engineers will require utilization of current technology for accurate information and content. The site must be maintained and updated continuously, if the company is to be the standard for all other information sites. Our site will be presented in the most professional manner and maintained by a team of highly trained and respected professionals in their particular fields.

The site will provide a forum for the clients to voice their opinions and to request specific information if it is not available on the current site. The company personnel will respond to the request through E-mail and notify the client of the information requested and the location where it can now be found on the site. In this manner, Eengineeringsolutions.com will become known as a company responsive to its client needs. This fact will enable the company to maintain its competitive edge throughout the years.

5.3.1 Positioning Statement

For engineering companies and individual engineers who require the latest technical information and specific product information in order to complete their designs or mission, Eengineeringsolutions.com will provide a user friendly web site whereby they can access the pertinent information quickly and simply. Unlike existing sites that only provide a portion of the information that engineers require, Eengineeringsolutions.com will provide an all encompassing web based site where the information can be readily accessed. The linking of the engineers to manufacturers' web sites, where specific information of a required product can be obtained, will eliminate the current method of using outdated catalogues and other printed material or waiting for a representative to arrive and provide the product information.

5.3.2 Pricing Strategy

The current pricing strategy for Eengineeringsolutions.com is based on a monthly subscription price which differs for the engineering members and the business members. The engineering members will have a price structure that varies from \$20 per month to \$150 per month depending on their size (number of users). All business members will be presented equally on the web site. We are aware that allowing business members to control the site would detract from the stated principles upon which the company was created. The current price structure for manufacturers is \$200 per month and for suppliers and contractors/construction companies is \$100 per month. It is anticipated that these rates will be adjusted as the site becomes more popular based on the number of subscribers and site hits.

5.3.3 Promotion Strategy

Eengineeringsolutions.com will promote its product on four fronts:

- The first will be through the use of the internet via broadcast mailing to selected clients that

- will be obtained through the company's research.
- The second will utilize conventional magazines to introduce the company to the engineering communities. The magazine promotion will be utilized on a short term basis only.
- The third will use the medium of seminars and trade shows to draw attention to the company and its products.
- The fourth method will be through newsletter articles in trade and professional associations.

Many of these promotional methods will be continued as new products are brought on line.

5.3.4 Marketing Programs

Engineering solutions.com's most critical marketing program will target the engineering companies as the primary focus of the user portion of the site. The engineering companies will be marketed in accordance with their individual disciplines as each section is developed. The development of each section of discipline will become part of the site in accordance with the stated milestones.

The second target group will be the manufacturers. The program for this group will be similar to the program for the engineers. They will be contacted based on the particular engineering group which they serve. This group will participate in order to provide exposure to the engineering community for the products/components which are necessary to meet the specification of the engineering design.

The third group will be the suppliers and manufacturing representatives. Again this group will be marketed in the same fashion as the manufacturers in accordance with the group of engineers to which they supply products.

The fourth and final group will be the contractors/construction companies. This group will be marketed similar to the manufacturers and suppliers. They will be categorized in accordance with the type of construction they perform as related to the engineering discipline.

5.4 Sales Strategy

Engineering solutions.com will generate sales as a result of its marketing program. The success of the company will depend on its ability to maintain repeat customers. The general sales program will be broken into two classifications; ie, the engineering members and the business members. The engineering companies and the engineers will subscribe to the site for its content and information. The business members will include the product manufacturers, the suppliers and the contractors/construction companies.

The engineering members will be offered a period of one month without paying for the site. After this period, each member will be required to pay a monthly fee for the right to use the site. This fee will range from \$20 per month for single use companies up to a maximum of \$150 per month for large engineering companies with multiple users. Engineering solutions.com believes that the members will be so impressed with the quality of the site that the amount of the fee will be insignificant in comparison to the value in time and effort saved. We expect that at least 90% of the engineering companies and 80% of the engineers will subscribe to the site.

The second group, the manufacturers, suppliers and contractors/construction companies will be charged a very nominal fee of \$100 to \$200 per month to have their company entered into the site's data base. This fee will also cover direct links to certain areas of their company's web page. Each member of this group will be present on the site in the same manner as the other. There will not be a provision for one business member to have a larger section within the site than another; each will be treated equally. In this way their companies will be represented to the engineering community on an equal basis and the engineers will have the freedom to check out the different

products from each company. We believe that the companies will appreciate this approach and that the fee being charged is very nominal in comparison to standard advertising media such as magazines.

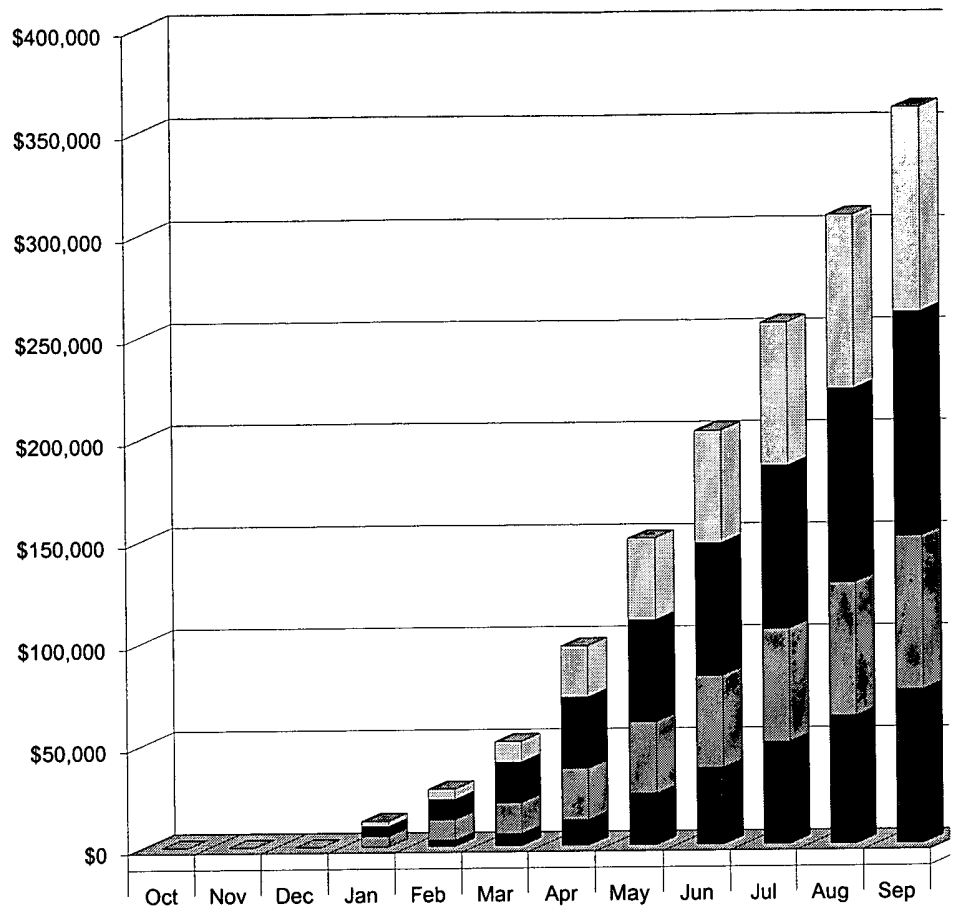
Both of these classifications will be impressed with the site and with the dynamics of the internet media. The fact that their products can be continually updated will be very appealing to the manufacturers, suppliers and contractors/construction companies. Engineers on the other hand will greatly benefit from this media by the fact that they have access to the most accurate and up to date data.

5.4.1 Sales Forecast

The following table and chart give a run-down on sales forecast. We expect sales to increase at a rate of \$50,000 per month for month six through month twelve. This sales projection assumes that the first phase will come on line within the first three months and the next two phases will come on line in three intervals. It is also anticipated that after the fourth month the sales program will be intensified. After one month trial period for the engineering companies, they will commence with paying for their subscriptions.

Sales Forecast	FY2001	FY2002	FY2003
Sales			
Engineering Companies	\$271,500	\$1,599,550	\$2,711,550
Manufacturing Companies	\$330,000	\$2,230,500	\$4,151,012
Suppliers	\$470,000	\$1,411,500	\$2,860,479
Contractors/Constr. Co.	\$392,500	\$1,843,602	\$3,368,672
Total Sales	\$1,464,000	\$7,085,152	\$13,091,713
Direct Cost of sales			
Engineering Companies	\$25,753	\$100,132	\$146,424
Manufacturing Companies	\$38,162	\$139,629	\$146,367
Suppliers	\$52,813	\$88,360	\$117,763
Contractors/Constr. Co.	\$41,871	\$47,482	\$97,432
Subtotal Cost of Sales	\$158,599	\$375,603	\$507,986

Sales Monthly



5.5 Strategic Alliances

During the early phases of the project, certain strategic alliances may be necessary in order to allow the web site to grow. These may include legal, accounting, web hosting and certain personnel required to assist with site setup. If appropriate investors can be found, these smaller strategic alliances may not be necessary. In the long term, strategic alliances may be beneficial as the company expands and the need for a large web hosting company such as Microsoft or IBM will be required to maintain operations.

5.6 Milestones

The accompanying table lists important program milestones, with dates and managers in charge, and budgets for each. The milestone schedule indicates our emphasis on planning for implementation.

What the table doesn't show is the commitment behind it. Our business plan includes complete provisions for plan-vs.-actual analysis, and we will hold monthly follow-up meetings to discuss the variance and course corrections.

Milestones	Start Date	End Date	Budget	Manager	Department
Milestone	8/1/00	9/30/00	\$15,000	T. Messler	Administration
Business Plan	8/15/00	10/20/00	\$5,000	B. Bramlet	Admin
Logo Design	8/1/00	8/5/00	\$1,000	T. Messler	Admin
Select Domain Name	8/5/00	8/5/00	\$150	T. Messler	Admin.
Purchase Domain Name	9/30/00	11/1/00	\$5,000	T. Messler	Admin
Obtain Investors	10/1/00	12/1/00	\$150,000	T. Messler	Civil
Commence Civil Site Design	11/15/00	12/1/00	\$5,000	T. Messler	Civil
Place Civil Section on Web Page	11/1/00	2/1/01	\$75,000	TBA	Mechanical
Commence Mechanical Site Design	1/1/01	4/1/01	\$75,000	TBA	Electrical
Commence Electrical Site Design	1/15/01	2/1/01	\$5,000	TBA	Mechanical
Place Mechanical Section on Web					
Page					
Totals			\$336,150		

6.0 Management Summary

The initial management team will consist of the founders and a minimum staff utilizing the current limited financial resources. As funds become available, additional staff will be added. The first phase of the project will be the Civil Engineering section, which will be the task of the principal founder as this is his background. The attached organizational chart will define the proposed make-up of the company.

6.1 Organizational Structure

The following organizational chart defines the company's general structure as required to complete the first three sections of the web page.

6.2 Personnel Plan

The following table summarizes our personnel expenditures for the first three years, with compensation increasing from less than \$697,000 the first year to about \$2,680,000 in the third. We believe this plan provides sufficient funds to obtain high caliber people with the talent and expertise required to create a web site of the quality that the founders believe is necessary to meet their stated goals.

Personnel Plan			
Development Personnel	FY2001	FY2002	FY2003
Civil Engineer	\$58,500	\$92,500	\$100,000
Mechanical Engineer	\$40,500	\$92,500	\$100,000
Electrical Engineer	\$21,000	\$92,500	\$100,000
Structural Engineer	\$0	\$50,000	\$100,000
Industrial Engineer	\$0	\$25,000	\$100,000
Teachers	\$0	\$0	\$75,000
Research Assistant's	\$48,500	\$90,000	\$130,000
Research Assistant's (PT)	\$14,000	\$30,000	\$35,000
Systems Engineer	\$35,000	\$60,000	\$75,000
Subtotal	\$217,500	\$532,500	\$815,000
Sales and Marketing Personnel			
Director of Sales Eastern Region	\$45,000	\$90,000	\$120,000
Director of Sales Western Region	\$35,000	\$90,000	\$120,000
Name or title	\$0	\$0	\$0
Other	\$0	\$0	\$0
Subtotal	\$80,000	\$180,000	\$240,000
General and Administrative Personnel			
CEO/President	\$102,000	\$180,000	\$250,000
Sr. V.P. Financial Operations	\$90,000	\$125,000	\$175,000
Sr. V.P. Operations/Secretary	\$0	\$80,000	\$125,000
Webmaster	\$14,000	\$85,000	\$125,000
Network Engineer	\$0	\$80,000	\$125,000
Subtotal	\$206,000	\$550,000	\$800,000
Other Personnel			
Exec. Secretary	\$30,000	\$45,000	\$60,000
Office Manager	\$36,000	\$52,000	\$65,000
Bookkeeper	\$22,000	\$29,000	\$32,000
A/R, A/P Clerk	\$0	\$30,000	\$70,000
Payroll Clerk	\$0	\$30,000	\$35,000
Receptionist	\$14,400	\$24,000	\$27,500
Subtotal	\$102,400	\$210,000	\$289,500
Total Headcount	0	0	0
Total Payroll	\$605,900	\$1,472,500	\$2,144,500
Payroll Burden	\$90,885	\$294,500	\$536,125
Total Payroll Expenditures	\$696,785	\$1,767,000	\$2,680,625

7.0 Financial Plan

Engineeringolutions.com. intends to create the company with invested capital. The attached financial information demonstrates the amount of capital that will be required to take the company to a position where cash flow will sustain operations.

We estimate that a minimum of \$750,000 of investor capital will be required to move the company forward towards its goal. In addition to the investor monies, the founders have invested approximately \$50,000 in labor and engineering expertise to bring the company to its current position. Our projected profit and loss is shown on the following tables. These financial projections show sales increasing from more than \$1.45M in the first year to more than \$13 million the third, and profits range from 4% in to 43% respectively.

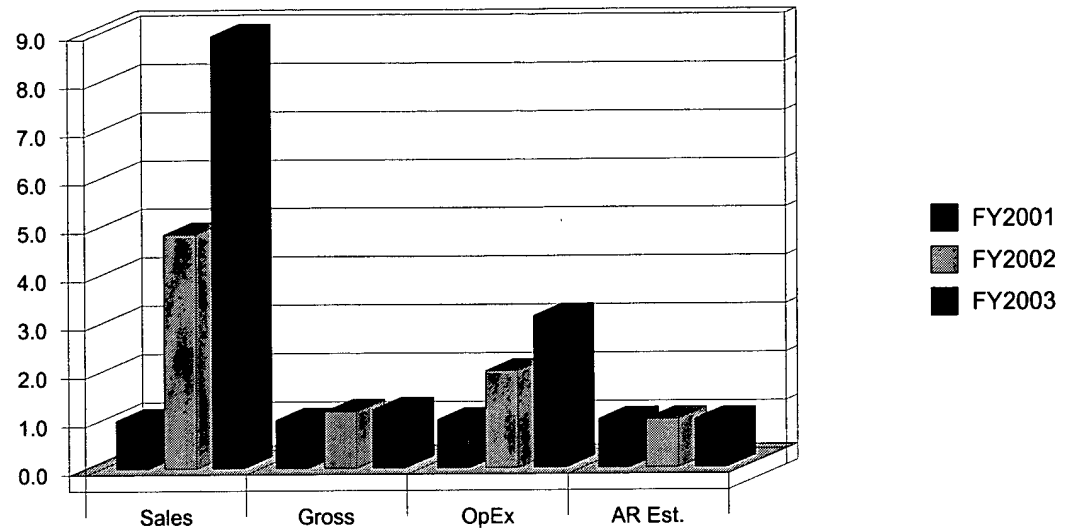
The cash projections indicate that the company should be in a positive cash position within the first nine months of operation and generate a profit within the first year.

7.1 Key Financial Indicators

The following benchmark chart indicates our key financial indicators for the first three years. We foresee major growth in sales, a modest growth in operating expenses, and a significant increase in profit during the third year of operation.

The cash flow analysis indicates that after the first year of operation the company should be in position of positive cash flow and a leveling off of operation expenses.

Benchmarks



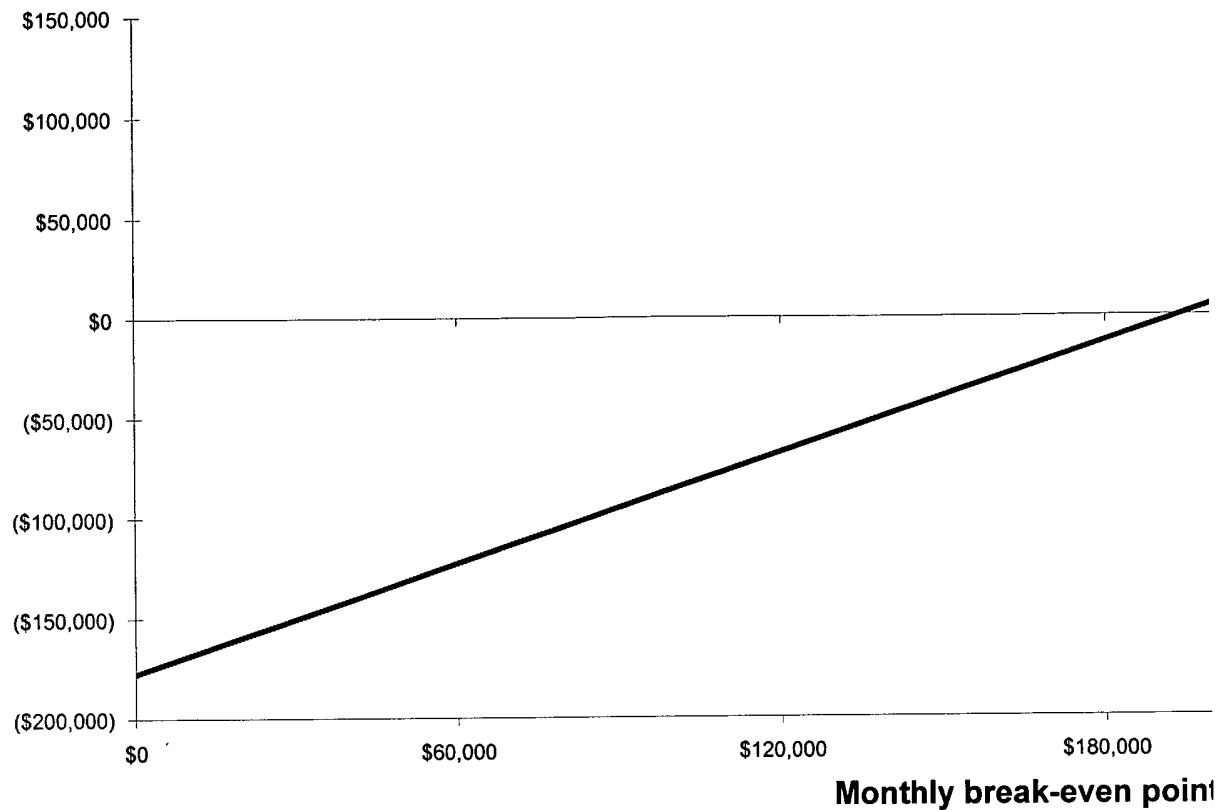
7.2 Break-even Analysis

The following table and chart summarize our break-even analysis. The analysis indicates that the company sales will reach its break-even point in the eighth month of operation.

Break Even Analysis:	
Monthly Units Break-even	2,584
Monthly Sales Break-even	\$193,774

Assumptions:	
Average Per-Unit Revenue	\$75.00
Average Per-Unit Variable Cost	\$6.26
Estimated Monthly Fixed Cost	\$177,600

Break Even Analysis



Break-even point = where line intersects with 0

7.3 Projected Profit and Loss

Our projected profit and loss is shown on the following table, with sales increasing from more than \$1.45M the first year to more than \$13 million the third, and profits ranging from 4% in the first year to 43% in the third year.

These projected profits are realistic but will require a strict adherence to this business plan. The key to this venture, as with all successful businesses, is good management and a defined plan that properly states the future goals of the company.

Profit and Loss (Income Statement)			
	FY2001	FY2002	FY2003
Sales	\$1,464,000	\$7,085,152	\$13,091,713
Direct Cost of Sales	\$158,599	\$375,603	\$507,986
Development Payroll	\$217,500	\$532,500	\$815,000
Other	\$0	\$0	\$0
Total Cost of Sales	\$376,099	\$908,103	\$1,322,986
Gross Margin	\$1,087,901	\$6,177,049	\$11,768,727
Gross Margin %	74.31%	87.18%	89.89%
Operating expenses:			
Sales and Marketing Expenses			
Sales and Marketing Payroll	\$80,000	\$180,000	\$240,000

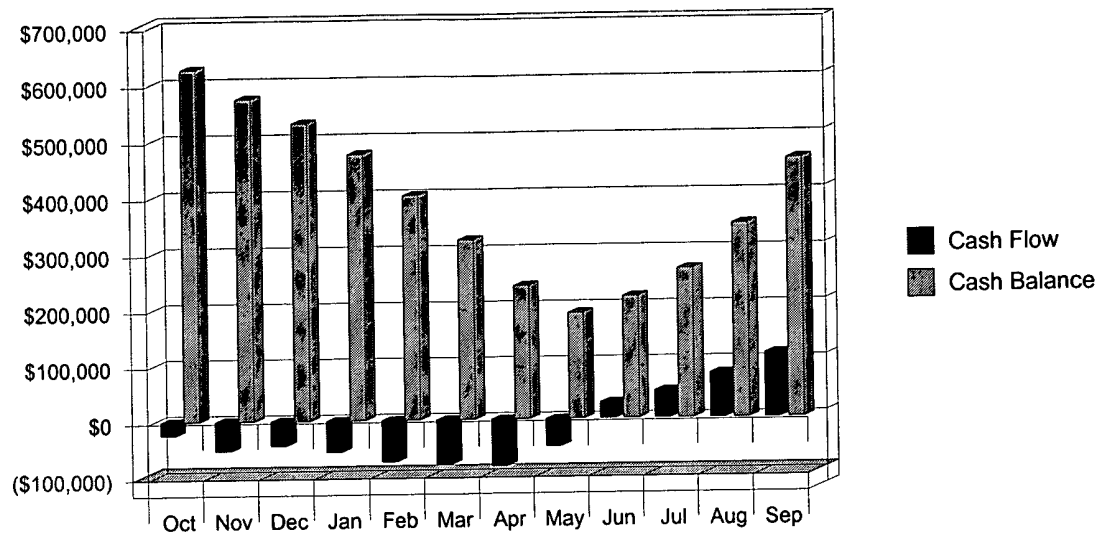
Advertising/Promotion	\$100,000	\$150,000	\$250,000
Travel	\$24,000	\$50,000	\$75,000
Miscellaneous	\$15,000	\$25,000	\$50,000
Total Sales and Marketing Expenses	\$219,000	\$405,000	\$615,000
Sales and Marketing %	14.96%	5.72%	4.70%
General and Administrative Expenses	\$206,000	\$550,000	\$800,000
General and Administrative Payroll	\$90,885	\$294,500	\$536,125
Payroll Burden	\$0	\$0	\$0
Depreciation	\$29,500	\$32,450	\$35,695
Leased Equipment	\$15,220	\$16,742	\$18,416
Utilities	\$24,000	\$45,000	\$95,000
Insurance	\$123,000	\$75,000	\$100,000
Computer Equipment	\$35,000	\$50,000	\$75,000
FF&E	\$36,260	\$50,000	\$65,000
Supplies	\$16,000	\$15,000	\$20,000
Telephone Equipment	\$15,000	\$25,000	\$50,000
Legal Fees	\$15,000	\$25,000	\$50,000
Accounting Fees	\$54,000	\$120,000	\$250,000
Rent			
Total General and Administrative Expenses	\$659,865	\$1,298,692	\$2,095,236
General and Administrative %	45.07%	18.33%	16.00%
Other Expenses	\$102,400	\$210,000	\$289,500
Other Payroll	\$13,250	\$50,000	\$75,000
Contract/Consultants	\$7,906	\$38,260	\$70,695
Credit Card Expense (1.8%)			
Total Other Expenses	\$123,556	\$298,260	\$435,195
Other %	8.44%	4.21%	3.32%
Total Operating Expenses	\$1,002,421	\$2,001,952	\$3,145,431
Profit Before Interest and Taxes	\$85,480	\$4,175,097	\$8,623,296
Interest Expense Short-term	\$0	\$0	\$0
Interest Expense Long-term	\$0	\$0	\$0
Taxes Incurred	\$29,918	\$1,461,284	\$3,018,153
Net Profit	\$55,562	\$2,713,813	\$5,605,142
Net Profit/Sales	3.80%	38.30%	42.81%

7.4 Projected Cash Flow

The following cash flow projections show the monthly balances for the first year of operation. It is significant to note that between the eighth and ninth months, the company begins to develop a positive cash flow. Prior to the break-even point the company will operate on investor capital.

Pro-Forma Cash Flow	FY2001	FY2002	FY2003
Net Profit	\$55,562	\$2,713,813	\$5,605,142
Plus:			
Depreciation	\$0	\$0	\$0
Change in Accounts Payable	\$131,038	\$264,893	\$310,033
Current Borrowing (repayment)	\$0	\$0	\$0
Increase (decrease) Other Liabilities	\$0	\$0	\$0
Long-term Borrowing (repayment)	\$0	\$0	\$0
Capital Input	\$0	\$0	\$0
Subtotal	\$186,601	\$2,978,706	\$5,915,175
Less:			
Change in Accounts Receivable	\$225,000	\$863,907	\$923,139
Change in Other Short-term Assets	\$0	\$0	\$0
Capital Expenditure	\$150,000	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal	\$375,000	\$863,907	\$923,139
Net Cash Flow	(\$188,399)	\$2,114,799	\$4,992,036
Cash Balance	\$461,601	\$2,576,400	\$7,568,436

Cash



7.5 Projected Balance Sheet

The balance sheet in the following table shows managed growth of net worth, and a sufficiently healthy financial position. This projected balance sheet indicates that in the second and third year of operation there will be sufficient capital to repay, through distributions, the investors' initial capital. In fact, the third year profits will be sufficient to provide the investors with a substantial return on their initial investment.

Pro-forma Balance Sheet

Assets	FY2001	FY2002	FY2003
Short-term Assets			
Cash	\$461,601	\$2,576,400	\$7,568,436
Accounts Receivable	\$225,000	\$1,088,907	\$2,012,046
Other Short-term Assets	\$0	\$0	\$0
Total Short-term Assets	\$686,601	\$3,665,306	\$9,580,482
Long-term Assets			
Capital Assets	\$150,000	\$150,000	\$150,000
Accumulated Depreciation	\$0	\$0	\$0
Total Long-term Assets	\$150,000	\$150,000	\$150,000
Total Assets	\$836,601	\$3,815,306	\$9,730,482
Liabilities and Capital			
Accounts Payable	\$131,038	\$395,931	\$705,964
Short-term Notes	\$0	\$0	\$0
Other Short-term Liabilities	\$0	\$0	\$0
Subtotal Short-term Liabilities	\$131,038	\$395,931	\$705,964

Long-term Liabilities	\$0	\$0	\$0
Total Liabilities	\$131,038	\$395,931	\$705,964
Paid in Capital	\$1,000,000	\$1,000,000	\$1,000,000
Retained Earnings	(\$350,000)	(\$294,438)	\$2,419,375
Earnings	\$55,562	\$2,713,813	\$5,605,142
Total Capital	\$705,562	\$3,419,375	\$9,024,518
Total Liabilities and Capital	\$836,601	\$3,815,306	\$9,730,482
Net Worth	\$705,562	\$3,419,375	\$9,024,518

7.6 Business Ratios

The following table shows the projected business ratios. A review of these ratios shows the company in a strong physical position with solid cash flows and expenses that are in line with sales. The Profitability ratios and Liquidity ratios are an indicator of a profitable company operating within acceptable ranges.

Ratio Analysis				
Profitability Ratios:	FY2001	FY2002	FY2003	RMA
Gross Margin	74.31%	87.18%	89.89%	0
Net Profit Margin	3.80%	38.30%	42.81%	0
Return on Assets	6.64%	71.13%	57.60%	0
Return on Equity	7.87%	79.37%	62.11%	0
Activity Ratios	FY2001	FY2002	FY2003	RMA
AR Turnover	4.88	4.88	4.88	0
Collection Days	37	45	58	0
Inventory Turnover	0.00	0.00	0.00	0
Accts Payable Turnover	6.25	6.25	6.25	0
Total Asset Turnover	1.75	1.86	1.35	0
Debt Ratios	FY2001	FY2002	FY2003	RMA
Debt to Net Worth	0.19	0.12	0.08	0
Short-term Liab. to Liab.	1.00	1.00	1.00	0
Liquidity Ratios	FY2001	FY2002	FY2003	RMA
Current Ratio	5.24	9.26	13.57	0
Quick Ratio	5.24	9.26	13.57	0
Net Working Capital	\$555,562	\$3,269,375	\$8,874,518	0
Interest Coverage	0.00	0.00	0.00	0
Additional Ratios	FY2001	FY2002	FY2003	RMA
Assets to Sales	0.57	0.54	0.74	0
Debt/Assets	16%	10%	7%	0
Current Debt/Total Assets	16%	10%	7%	0
Acid Test	3.52	6.51	10.72	0
Asset Turnover	1.75	1.86	1.35	0
Sales/Net Worth	2.07	2.07	1.45	0
Dividend Payout	\$0	0.00	0.00	0

Table 5.4.1: Sales Forecast

Sales Forecast		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Sales		\$0	\$0	\$0	\$0	\$3,000	\$6,000	\$12,500	\$25,000	\$37,500	\$50,000	\$62,500	\$75,000
Engineering Companies		\$0	\$0	\$0	\$5,000	\$10,000	\$15,000	\$25,000	\$35,000	\$45,000	\$55,000	\$65,000	\$75,000
Manufacturing Companies		\$0	\$0	\$0	\$0	\$10,000	\$20,000	\$35,000	\$50,000	\$65,000	\$80,000	\$95,000	\$110,000
Suppliers		\$0	\$0	\$0	\$5,000	\$10,000	\$10,000	\$25,000	\$40,000	\$55,000	\$70,000	\$85,000	\$100,000
Contractors/Constr. Co.		\$0	\$0	\$0	\$12,500	\$28,000	\$51,000	\$97,500	\$150,000	\$202,500	\$255,000	\$307,500	\$360,000
Total Sales		\$0	\$0	\$0	\$12,500	\$28,000	\$51,000	\$97,500	\$150,000	\$202,500	\$255,000	\$307,500	\$360,000
Direct Cost of sales		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Engineering Companies		\$0	\$0	\$0	\$0	\$0	\$0	\$2,018	\$3,220	\$4,050	\$4,970	\$5,525	\$5,970
Manufacturing Companies		\$0	\$0	\$0	\$1,678	\$2,837	\$3,039	\$4,033	\$4,508	\$4,869	\$5,467	\$5,753	\$5,978
Suppliers		\$0	\$0	\$0	\$1,678	\$2,837	\$4,052	\$5,646	\$6,440	\$7,033	\$7,952	\$8,408	\$8,767
Contractors/Constr. Co.		\$0	\$0	\$0	\$839	\$1,419	\$2,026	\$4,033	\$5,152	\$5,951	\$6,958	\$7,523	\$7,970
Subtotal Cost of Sales		\$0	\$0	\$0	\$4,195	\$7,093	\$9,117	\$15,730	\$19,320	\$21,903	\$25,347	\$27,209	\$28,685

Table 6.2: Personnel

[illegible]

Profit and Loss (Income Statement)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Sales	\$12,500	\$28,000	\$51,000	\$97,500	\$150,000	\$202,500	\$255,000	\$307,500	\$360,000
Direct Cost of Sales	\$4,195	\$7,093	\$9,117	\$15,730	\$19,320	\$21,903	\$25,347	\$27,209	\$28,685
Development Payroll	\$8,500	\$9,500	\$14,500	\$24,000	\$24,500	\$25,000	\$35,500	\$35,500	\$35,500
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$12,695	\$16,593	\$23,617	\$39,730	\$43,820	\$46,903	\$60,847	\$62,709	\$64,185
Gross Margin %	(\$195)	\$11,407	\$27,383	\$57,770	\$106,180	\$155,597	\$194,153	\$244,791	\$295,815
Gross Margin %	-1.56%	40.74%	53.69%	59.25%	70.79%	76.84%	76.14%	79.61%	82.17%
Operating expenses:									
Sales and Marketing Expenses	\$5,000	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Sales and Marketing Payroll	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Advertising/Promotion	\$500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Travel	\$1,000	\$1,000	\$1,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Miscellaneous	\$6,500	\$18,500	\$23,500	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
Total Sales and Marketing Expenses	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Sales and Marketing %	0.00%	66.07%	46.08%	24.62%	16.00%	11.85%	9.41%	7.80%	6.67%
General and Administrative Expenses	\$3,480	\$6,150	\$7,650	\$9,075	\$9,150	\$9,225	\$10,800	\$11,850	\$11,850
General and Administrative Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Burden	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Leased Equipment	\$750	\$1,000	\$1,320	\$1,450	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
Utilities	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Insurance	\$2,000	\$9,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Computer Equipment	\$2,500	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
FF&E	\$2,500	\$2,750	\$2,888	\$3,032	\$3,183	\$3,343	\$3,510	\$3,685	\$3,871
Supplies	\$2,500	\$2,500	\$1,000	\$1,000	\$5,000	\$1,000	\$1,000	\$1,000	\$1,000
Telephone Equipment	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal Fees	\$3,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Accounting Fees	\$3,000	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Rent	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Total General and Administrative Expenses	\$46,230	\$57,100	\$51,858	\$53,557	\$52,933	\$54,168	\$50,910	\$59,135	\$64,321
General and Administrative %	0.00%	203.93%	101.68%	54.93%	35.29%	26.75%	19.96%	19.23%	17.87%
Other Expenses	\$4,700	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500
Other Payroll	\$2,500	\$750	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contract/Consultants	\$0	\$151	\$275	\$527	\$810	\$1,094	\$1,377	\$1,661	\$1,941
Credit Card Expense (1.8%)	\$0	\$68	\$275	\$527	\$810	\$1,094	\$1,377	\$1,661	\$1,941
Total Other Expenses	\$7,200	\$11,401	\$11,275	\$11,527	\$11,810	\$12,094	\$12,377	\$12,661	\$12,941
Other %	0.00%	40.72%	22.11%	11.82%	7.87%	5.97%	4.85%	4.12%	3.60%
Total Operating Expenses	\$59,930	\$87,001	\$66,633	\$69,083	\$68,743	\$90,261	\$87,287	\$95,796	\$101,261

Profit and Loss (Income

Profit and Loss (Income Statement)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Sales	\$12,500	\$28,000	\$51,000	\$97,500	\$150,000	\$202,500	\$255,000	\$307,500	\$360,000
Direct Cost of Sales	\$4,195	\$7,093	\$9,117	\$15,730	\$19,320	\$21,903	\$25,347	\$27,209	\$28,685
Development Payroll	\$8,500	\$9,500	\$14,500	\$24,000	\$24,500	\$25,000	\$35,500	\$35,500	\$35,500
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$12,695	\$16,593	\$23,617	\$39,730	\$43,820	\$46,903	\$60,847	\$62,709	\$64,185
Gross Margin %	(\$195)	\$11,407	\$27,383	\$57,770	\$106,180	\$155,597	\$194,153	\$244,791	\$295,815
Gross Margin %	-1.56%	40.74%	53.69%	59.25%	70.79%	76.84%	76.14%	79.61%	82.17%
Operating expenses:									
Sales and Marketing Expenses	\$5,000	\$5,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Sales and Marketing Payroll	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Advertising/Promotion	\$500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Travel	\$1,000	\$1,000	\$1,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Miscellaneous	\$6,500	\$18,500	\$23,500	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
Total Sales and Marketing Expenses	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Sales and Marketing %	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General and Administrative Expenses	\$3,480	\$6,150	\$7,650	\$9,075	\$9,150	\$9,225	\$10,800	\$11,850	\$11,850
General and Administrative Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Burden	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Leased Equipment	\$750	\$1,000	\$1,320	\$1,450	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
Utilities	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Insurance	\$2,000	\$9,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Computer Equipment	\$2,500	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
FF&E	\$2,500	\$2,500	\$2,888	\$3,032	\$3,183	\$3,343	\$3,510	\$3,685	\$3,871
Supplies	\$2,500	\$2,500	\$1,000	\$1,000	\$5,000	\$1,000	\$1,000	\$1,000	\$1,000
Telephone Equipment	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal Fees	\$3,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Accounting Fees	\$3,000	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Rent	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Total General and Administrative Expenses	\$46,230	\$57,100	\$51,858	\$53,557	\$52,933	\$54,168	\$50,910	\$59,135	\$64,320
General and Administrative %	0.00%	203.93%	101.68%	54.93%	35.29%	26.75%	19.96%	19.23%	17.87%
Other Expenses	\$4,700	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500
Other Payroll	\$2,500	\$750	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contract/Consultants	\$0	\$151	\$275	\$527	\$810	\$1,094	\$1,377	\$1,661	\$1,940
Credit Card Expense (1.8%)	\$0	\$68	\$275	\$527	\$810	\$1,094	\$1,377	\$1,661	\$1,940
Total Other Expenses	\$7,200	\$11,401	\$11,275	\$11,527	\$11,810	\$12,094	\$12,377	\$12,661	\$12,940
Other %	0.00%	40.72%	22.11%	11.82%	7.87%	5.97%	4.85%	4.12%	3.60%
Total Operating Expenses	\$59,930	\$87,001	\$66,633	\$69,083	\$68,743	\$90,261	\$87,287	\$95,796	\$101,260

Subtotal Short-term Liabilities	\$27,037	\$15,667	\$12,764	\$40,471	\$50,496	\$74,259	\$90,253	\$62,921	\$82,013	\$94,347	\$110,019	\$131,038
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$27,037	\$15,667	\$12,764	\$40,471	\$50,496	\$74,259	\$90,253	\$62,921	\$82,013	\$94,347	\$110,019	\$131,038
Paid in Capital	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Retained Earnings	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)
Earnings	(\$50,716)	(\$91,926)	(\$132,506)	(\$183,006)	(\$232,142)	(\$270,655)	(\$291,008)	(\$279,674)	(\$237,206)	(\$167,743)	(\$70,896)	\$55,562
Total Capital	\$599,284	\$558,074	\$517,494	\$466,994	\$417,858	\$379,345	\$358,992	\$370,326	\$412,794	\$482,257	\$579,104	\$705,562
Total Liabilities and Capital	\$626,321	\$573,741	\$530,259	\$507,465	\$468,354	\$453,604	\$449,244	\$433,246	\$494,807	\$576,604	\$689,123	\$836,601
Net Worth	\$599,284	\$558,074	\$517,494	\$466,994	\$417,858	\$379,345	\$358,992	\$370,326	\$412,794	\$482,257	\$579,104	\$705,562